



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

MoneyTree Corporation

Person to be contacted regarding this report:	Mark Hackney	RSSD: (For Bank Holding Companies)	3387832
CPP Funds Received:	\$9,516,000	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP Funds Repaid to Date:	\$0	FDIC Certificate Number: (For Depository Institutions)	4947
Date Funded (first funding):	3/13/2009	City:	Lenoir City
Date Repaid ¹ :		State:	Tennessee

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	Participating in the CPP program has insured that we have funds available for lending. However, loan demand in our market area has been and remains extremely weak.
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<input type="checkbox"/>	<p>To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).</p>	
<input checked="" type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	<p>Weak loan demand has resulted in an increase in our securities portfolio. At year end, our MBS portfolio was 6 times larger compared to the prior year.</p>
<input type="checkbox"/>	<p>Make other investments</p>	
<input checked="" type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>We have been able to increase our reserves for non-performing assets by 20%.</p>

<input checked="" type="checkbox"/>	Reduce borrowings	We reduced our Brokered CD deposits and our FHLB Borrowings with CPP funds.
<input checked="" type="checkbox"/>	Increase charge-offs	CPP funds have given us the flexibility to aggressively deal with problem assets by recognizing losses quickly and disposing of assets before values deteriorated further
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input type="checkbox"/>	Held as non-leveraged increase to total capital	

What actions were you able to avoid because of the capital infusion of CPP funds?

CPP funds gave us the flexibility to aggressively deal with problem assets. We could avoid carrying impaired assets for an extended period of time subjecting these assets to further deterioration of asset values. The CPP capital prevented us from being required to divest ourselves of quality assets due to legal lending limitations.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

CPP capital allowed us the flexibility to fund loans that enhanced the diversification of our loan portfolio. These funds also gave us the ability to aggressively address assets quality issues preventing further deterioration in asset valuations.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.



According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.